

TESTIMONY PUBLIC HEALTH COMMITTEE Wednesday, March 19, 2014

SB460 AAC Hospital Conversions and Other Matters Affecting Hospitals HB 5571 AAC Certificate of Need Requirements, Hospital Conversions and Medical Foundations

My name is Gayle Capozzalo and I am executive vice president and chief strategy officer at the Yale New Haven Health System. I am here today to testify on SB 460 and HB 5571, the hospital conversion bills before you.

Yale New Haven Health. through Bridgeport, Greenwich and Yale-New Haven Hospitals, and affiliated organizations, strives to provide access to integrated, high value, patient-centered care in collaboration with others who share our values. Together with our team of more than 19,000 employees and 6000 medical staff, we offer our patients a range of healthcare services, from primary to the most complex in the world. Our hospitals are committed members of their local communities.

I am pleased to here today to share with you what we believe is an extraordinary opportunity to transform healthcare in the State of Connecticut.

I would like to introduce Trip Pilgrim, Senior Vice President of Tenet Health, who will provide additional background about the significant benefits of this innovative solution.

The partnership between Yale New Haven Health and Tenet Healthcare was developed in response to a rapidly evolving healthcare environment. Our relationship develops an approach that boils down to three key elements.

First, this partnership is about preserving – and ultimately expanding – access to care for patients in local communities. That means that Tenet will bring the capital necessary to financially stabilize these hospitals, address their existing liabilities and invest in their organizations in a way that no one else, including Yale New Haven can. That means jobs. That means stability. That means providing ongoing access to critical care – supplemented by the clinical expertise of Yale New Haven – in the local community.

Second, this partnership is about driving exceptional care — every day of every week of every year. When Yale New Haven Health sought a partner that would allow us to work collaboratively with local, community-based providers to reinforce and build upon the legacy of providing exceptional care in the community, we did our due diligence. We researched how Vanguard and then Tenet operated in communities such as Detroit, Worcester, Philadelphia and San Antonio and we wanted to make sure that our values aligned with a partner that would allow us to navigate and lead in this ever shifting, post-reform environment. We found that partner in Tenet. Through this innovative approach, we can share best practice, coordinate care across an integrated platform and give patients in our local communities access to clinical trials and innovative treatments. Patients who are acutely sick should never have to travel to Boston or New York — or anywhere else beyond our state borders to get the care they need.

Third, this partnership represents our best opportunity to drive high quality care in the most cost effective means possible. Working through Tenet's national network, we can drive down costs by achieving uncommon economies of scale.

We are at an historic moment in time. Working together, with your support, we can move forward with a national model of managing exceptional care in this fluid environment. Connecticut can become a regional hub of the provision of high quality healthcare services and be known throughout New England for its innovation.

We need your help. This is not the time to erect obstacles. This is a real opportunity to advance a real solution to an extraordinary challenge. No other alternative can do that - which is why we remain steadfast in our optimism. This approach will benefit the healthcare providers of our State, create a foundation for job growth, and do so to the great benefit of our patients, our employees, and our local communities.

The current approval and regulatory process ensures sufficient review and protections. Lurge you to oppose SB 460 and HB 5571.

Thank you for the time and the opportunity to discuss this critically important issue. I now would like to turn it over to Trip Pilgrim from Tenet.